

CALIFORNIA ENERGY COMMISSION

DIVISION OF FINANCIAL SERVICES

GRANTS & LOANS

1516 NINTH STREET, MS-1

SACRAMENTO, CA 95814-5512

(916) 654-4381

www.energy.ca.gov

**Addendum 2****PON-09-001****Energy Efficiency Conservation Block Grant****The Purpose of this Addendum is to:****1. Extension of Application Deadline**

The Application Deadline for the EECBG Small City and County Grant Program Solicitation (PON-09-001) has been extended to January 15, 2010 at 4:00 p.m.

Accordingly, the Energy Commission has made the following changes to the EECBG Program Solicitation:

- Section 3 formerly stated that the deadline to submit applications was “As soon as possible but no later than January 12, 2010 by 4:00 p.m.” This provision now states that the Application Deadline is “January 15, 2010 by 4:00 p.m.”
- Section 17 formerly stated that “Applications must be **received** by the Energy Commission’s Grants and Loans Office on or before **4:00 p.m. on January 12, 2010.**” This provision now states that “Applications must be **received** by the Energy Commission’s Grants and Loans Office on or before **4:00 p.m. on January 15, 2010.**”

2. Modifications to Instructions for Attachment E and Attachment K

The Energy Commission has modified the instructions for two EECBG Program application attachments, [Attachment E](#) and Attachment K, and is revising the EECBG Program terms and conditions consistent with these modifications. Information on these modifications was previously provided to program applicants at the Energy Commission’s Webinar presentation on January 6, 2010.

A. Modifications to Instructions for Attachment E

1. Instructions for Attachment E have been revised

Applicants should refer to the revised instructions for Attachment E.

2. General Discussion of Changes

Budget detail for Non-Labor Contract Expenses (Attachment E-2) and Contract Labor (Attachment E-3) will operate as estimates only and are to be provided by the Application Deadline only if the applicant has this information available. However, even if the applicant does not have the budget detail to complete the Non-Labor Contract Expenses or Contract Labor tables, the applicant must still provide a total amount for those two budget categories, and include those amounts in the Category Budget (Attachment E-1) where they will be subject to the reallocation rule, as explained below.

The EECBG Guidelines prioritize “cost-effectiveness” as the primary factor in estimating the project budget and controlling costs under the grants. Consistent with that policy, reallocations between line items identified on the Category Budget (Attachment E-1) will be permitted as long as:

- The total reallocation does not exceed 10% of the total grant budget AND
- The reallocation does not undermine the project’s cost effectiveness based on the assumptions supporting the project.

Estimates for all direct rates will continue to operate as maximums. Thus, the Energy Commission will not reimburse for higher rates than those provided in Attachment E-2 for Unloaded Direct Labor, Fringe Benefits, and Overhead.

B. Modifications to Instructions for Attachment K

Instructions for Attachment K have not been added. Applicants should refer to the discussion below for guidance.

The detailed prevailing wage information requested by Attachment K in the table on page 5 is to be provided by the Application Deadline only if the applicant has this information available. Applicants are no longer required to submit this information by the Application Deadline. However, if an applicant does not include this information with its application, then the applicant will be required to submit such information to the Energy Commission before work may begin under the grant Agreement, as explained below.

Applicants may insert “TBD” in cells for wages to be determined. Please note that Attachment K must be completed consistent with these instructions and signed.

C. Revisions to EECBG Terms and Conditions Consistent with Modifications to Attachment E and Attachment K

- Section 9 and the budget reallocation and formal amendment language of the revised EECBG Terms and Conditions will elevate the level of detail which triggers a formal amendment.
- Section 10(b) of the revised EECBG Program Terms and Conditions will provide that prior to the start of any work on a project, applicants will be required to transmit copies of completed subcontract agreements which include all flow-down provisions required by ARRA and federal and state prevailing wage laws, plus the applicable wage determinations for each job classification to be employed under the subcontract. For applicants that have not submitted all subcontract and prevailing wage information by the Application Deadline, Section 28(b) will provide that there will be a special condition attached to the Scope of Work that makes the transmittal of the subcontract and prevailing wage documentation to the Energy Commission a prerequisite to starting work.

3. Signature Requirements

As a point of clarification, although electronic signatures are sufficient for resolutions, original or “wet” signatures are required for all other certifications.

4. National Historic Preservation Act

Prior to the expenditure of EECBG Program funds, the Energy Commission and applicants must comply with Section 106 of the National Historic Preservation Act (NHPA). Section 106 applies to historic properties that are listed in or eligible for listing in the National Register of Historic Places. In order to fulfill the requirements of Section 106, the Energy Commission and applicants must consult with the California State Historic Preservation Officer (SHPO) to ensure proposed projects will have no adverse effects on any historic resources.

The Energy Commission has worked with the SHPO to streamline the Section 106 consultation process and to categorically exclude certain projects from the SHPO’s direct review and consultation. Because of their nature, these categorically excluded projects cannot impact historic resources. The categorically excluded projects are identified in the SHPO’s December 29, 2009 letter to the Energy Commission and include: 1) undertakings for planning, training and educational purposes, 2) undertakings to replace equipment on existing building or structures that result in no building or structure changes or ground disturbances, and 3) undertakings on buildings or structures less than 45 years of age that will result in no ground disturbances.

Projects that are categorically excluded from the SHPO's direct review and consultation will be deemed to have satisfied Section 106 of NHPA without further review or involvement by the SHPO.

The Energy Commission will evaluate projects to determine whether such projects are categorically excluded from the SHPO's direct review and consultation pursuant to the SHPO's December 29, 2009 letter. If projects are categorically excluded, the Energy Commission will issue the project applicant a clearance letter on the SHPO's behalf.

In order for the Energy Commission to determine whether a given project is categorically excluded from the SHPO's direct review and consultation, applicants must provide the Energy Commission with the following information for each building or structure affected by the project:

- a) A description of the project, including the work to be performed, whether there are any ground disturbances, and whether new structures will be constructed;
- b) A description of the buildings, structures, or properties that may be affected by the proposed project, and if known, whether these buildings, structures, or properties are eligible for preservation under the NHPA as a historic resource and listed or eligible to be listed in the National Register of Historic Places administered by the National Park Service;
- c) Color photographs of the buildings, structures, or properties that may be affected by the proposed project; and
- d) A copy of a USGS map demarcating the project area.

Please note, if the project includes undertakings on multiple buildings or structures, the applicant must provide the above information for each building or structure.

This information should be included with the applicant's funding application in lieu of the information requested in Attachment I. Applicants that have already submitted their applications should follow up by providing the above information as soon as possible.

If the Energy Commission determines that a project or a project element is not categorically excluded from the SHPO's direct review and consultation, the Energy Commission will forward the project information to the SHPO and request an expedited review. To review the project, the SHPO will require additional project information, which the Energy Commission must obtain from the applicant before forwarding all project information to the SHPO.

Applicants with questions concerning the NHPA requirements should contact Michelle Messinger in the Cultural Unit of the Energy Commission's Energy Facilities Siting Division at (916) 654-6960 or by email at [mmessing@energy.state.ca.us].

